

APRIL 21, 2004

**SCHAKOWSKY: BUSH ADMINISTRATION'S MISSTATEMENT OF THE DAY -
COST OF IRAQ WAR**

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) issued today's "Bush Administration's Misstatement of the Day" on the cost of war in Iraq.

On September 15th 2002, former White House economic advisor Lawrence Lindsay estimated the high limit on the cost to be 1-2% of GNP, or about \$100-\$200 billion. Mitch Daniels, Director of the Office of Management and Budget subsequently discounted this estimate as "very, very high" and stated that the costs would be between \$50-\$60 billion. [Source: WSJ, "Bush Economic Aide Says Cost Of Iraq War May Top \$100 Billion," Davis 09/16/02; NYT, "Estimated Cost of Iraq War Reduced, Bumiller, 12/31/02; Reuters News, "Daniels sees U.S. Iraq war cost below \$200 billion," 09/18/02]

[Read Past Quotes on the Cost of War from Administration Officials](#)

However, the cost of the war has now reached \$200 billion and according to a Defense official, the operation "is going to cost us more money." (AP, 4/21/04)

**April 21, 2004
Iraq Operation to Go Over Budget, Pentagon Says
By THE ASSOCIATED PRESS**

**Filed at 7:23 p.m. ET
WASHINGTON (AP) -- A top Pentagon official said Wednesday the Iraqi military operation "is going to cost us more money" than anticipated, and the White House kept open the possibility it will seek additional funds before the end of this election year.
A rough first estimate showed that the decision to keep 20,000 troops in Iraq for some 90**

days longer to deal with increased violence will cost about \$700 million, Gen. Richard Myers, chairman of the Joint Chiefs of Staff, told the House Armed Services Committee. Defense officials are studying their budget now to determine whether some of that can be moved from other Pentagon accounts, Myers said.

Myers made his comments while President Bush renewed his public show of resolve that the United States will stay the course in Iraq and help establish a democracy there.

"The Iraqi people are looking at Americans and saying, 'Are we going to cut and run again?'" Bush said told more than 1,500 Associated Press-member newspapers at the cooperative's annual meeting. "And we're not going to cut and run if I'm in the Oval Office."

On a day when nearly 70 people were killed by suicide bombers in Basra, Bush acknowledged that "the last couple weeks have been really rough -- roughest on the families of those who lost their loved ones and those who worry about the security and safety of their loved ones."

"The reason why they're tough is because people want to stop the advance of freedom," he said of the insurgents.

With Congress just back from a spring break, the administration also moved during the day to reassure lawmakers whose constituents expressed concern about the recent spike of violence and hostage-taking in Iraq.

Officials said National Security Adviser Condoleezza Rice would meet privately in the Capitol on Thursday with Republican lawmakers, first in the House and then in the Senate. Her appearance is unusual -- customarily Cabinet secretaries are dispatched to brief lawmakers -- and will give lawmakers an opportunity to hear a review of developments in Iraq and pose questions to one of Bush's closest advisers.

Presidential spokesman Scott McClellan said the White House had received assurances from Pentagon officials "that the funding they have now is more than adequate to meet their needs."

But he said the issue was constantly being evaluated. "The decisions should be based on what the commanders in the field feel is necessary," he said.

"It really depends on circumstances on the ground," McClellan said. "We can't not afford to make sure we succeed in Iraq."

Bush met Wednesday morning with Defense Secretary Donald H. Rumsfeld. McClellan declined to say what they discussed.

Two leading lawmakers said policy-makers should examine whether mandatory military service should be used to relieve the already-strained volunteer force.

And several members urged the administration to present Congress with a projected price tag for Iraq operations beyond 2004, a politically delicate step that the White House has said it does not intend to take in an election year.

"They haven't asked for one single penny for next year for Afghanistan and Iraq," said Sen. Joe Biden of Delaware, the ranking Democrat on the Foreign Relations Committee. "Give me a break. Give me a break!"

Sen. Chuck Hagel, R-Neb., said he smelled election-year politics.

"The administration would be well served here to come forward now, be honest about this, because the continuity and the confidence in this policy is going to be required to sustain it," Hagel said. "And that means be honest with the Congress, be honest with the American people."

"Every ground squirrel in this country knows that it's going to be \$50 billion to \$75 billion in additional money required to sustain us in Iraq for this year," Hagel said.

Both senators spoke on the NBC program "Today."

White House budget director Joshua Bolten said earlier this year that the administration will eventually need more money beyond the \$87 billion Congress authorized for this budget year, which ends Sept. 30. But Bolten said the administration would not request it this year, meaning such a multibillion-dollar appeal would come after the November election.

Bolten said in February the "upper limit" of the cost for military operations in Iraq and Afghanistan next year would be \$50 billion, but cautioned that "it will all depend entirely on the security situation."

Biden and Hagel, another senior member of the Senate Foreign Relations Committee, also raised the possibility that compulsory military service might be necessary to relieve pressure on U.S. troops stretched around the globe.

The nation is engaged "in a generational war here against terrorism," Hagel said. "It's going to require resources."

"Should we continue to burden the middle class who represents most all of our soldiers, and the lower-middle class?" Hagel said. "Should we burden them with the fighting and the dying if in fact this is a generational -- probably 25-year -- war?"

"I am not proposing a draft, but I think some kind of mandatory service for this country for all our citizens, for the privileged, the rich, all those who have a lot, should be something we take seriously here," Hagel said.

McClellan said a draft was not currently under consideration.